

Leggett, Knapp at odds on special taxing district

■ Hearing held Tuesday on council proposal to terminate Clarksburg Town Center district

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The county executive and the president of the County Council are at odds over whether some Clarksburg resi-

dents should be included in development tax districts.

Council President Michael J. Knapp (D-Dist. 2) of Germantown agrees with residents that they were not properly notified that they would be required to pay special taxes to help fund public projects in their community.

But a county attorney determined in July that developers were within their rights to ask the council to establish special taxing districts in Clarksburg to

repay them for infrastructure they built.

County Executive Isiah Leggett (D) sent memos to the County Council on Friday listing public projects in Clarksburg he thinks should be paid for with development district taxes.

The County Council created three development districts in Clarksburg — in Clarksburg Town Center, Clarksburg Village and Arora Hills — but none has

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been implemented.

Development districts are partnerships between developers and the county to fund specific projects in new communities above and beyond what a developer normally builds.

Only property owners within a development district have to pay the development district tax.

Residents of the Clarksburg Town Center claim they were not properly notified about the development district and say that asking them to pay additional taxes of approximately \$1,500 a year for a single-family home to finance

roads and other public projects is unfair and illegal.

Knapp and other council members have introduced a resolution to terminate the Clarksburg Town Center development district and the council held a public hearing on the matter Tuesday night after Gazette deadline.

Nearly 30 people were scheduled to testify, ranging from developers to residents and community activists.

Newland Communities, which is developing Clarksburg Town Center, was planning to testify.

"We will be saying we have worked with Mr. Knapp to find a way that would be a good alternative to the tax district. The problem is we have been unable to find a workable alternative to the tax district," Douglas Delano, vice president of Newland Communities, said Tuesday afternoon. "There just didn't seem to be any feasible alternative."

He thought Leggett's proposal for the projects included was workable, but area residents do not.

"Why is the county trying to shift developer obligations to tax-paying residents of Clarksburg?" said Amy Presley, a leader of the Clarksburg Town Center Advisory Committee, a group of residents that uncovered hundreds of site plan violations in their community in 2005.

In a phone interview Tuesday morning, she challenged the legality of development districts and said her group would fight the tax in court if necessary.

The developers of the Clarksburg Town Center were granted the right to build at higher densities because they agreed to build amenities for the community, she said.

"The fact of the matter is the county has no obligation. These are developer obligations," she said.

Leggett proposed a middle ground between paying no development taxes and paying the \$1,500 required to fund \$17 million worth of projects proposed for the district by the developer in Clarksburg Town Center.

His proposal reduces the projects to be paid for by development district money to less than \$16 million, which lowers the tax for the owner of a single-family house to about \$800 per year.

The money would fund a portion of a Clarksburg library, extending Stringtown, Piedmont and Clarksburg roads and helping fund greenway trails.

The county sells development district bonds to fund the projects and money collected from the development district tax repays the bondholders.

Development districts are intended to help fund the infrastructure for the new community so that Clarksburg's development does not become a burden to the entire county. Development district funding is intended to allow developers to provide infrastructure faster than if they had to vie with other county projects for county funding.

"The council asked me to submit the implementation plan by the end of December," Leggett said in a phone interview Tuesday. "They could decide what they want to do with [the Clarksburg Town Center development district]."

Since the county's attorney considers the district legal, Leggett said his plan "would be less onerous to the citizens of Clarksburg. I don't see any other options out there right now."

Presley did not agree.

"Reducing the amount of

theft is not a compromise," she said.

The county does not have the money without the special tax, Leggett said.

"I don't understand the proposal that we not do it. I don't understand how these projects get built," he said. "There is no money in the county budget. It will be years and years down the line or you'd have to find additional money somewhere to do it."

Clarksburg Town Center residents might also be responsible for the full cost of the projects if a compromise is not reached, Leggett said. The developer has the legal right to obtain the money through private liens, he said.

The development tax agreement was among the documents residents signed when they bought their homes.

Knapp said he was surprised by Leggett's proposal, which was written without council or resident input.

"If there are parties on either side that don't think this will serve them well and choose to pursue other alternatives like litigation, then it's not a good deal," Knapp said in a phone interview Monday. "The community needs to be developed and built. If anybody feels they have to sue, it's not the right option ... I'm agnostic as to the right way [to fund the public projects]."

However, no other community in the county has been asked to pay for its own library, he said. And saying that Clarksburg can have a library in three years if the community pays for it is suspicious since it took longer than that to build the Germantown Library, he said.

"If the county wants to ask [a community] for the first time to pay for its own library, they better have us at the table," Presley said.